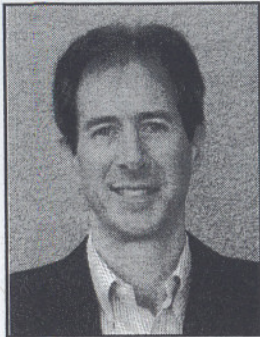


Cutting emissions, not “offsetting” them



by
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If a polluter pays someone else to reduce greenhouse gas emissions, should the polluter get credit? Such “offset” projects may include emission reductions in a different local industry, planting trees in a deforested region, or paying a factory in China to stop producing chlorofluorocarbons (CFCs). The logic behind offsets is that carbon reductions anywhere in the world are equally effective at controlling global climate change.

Unfortunately, carbon offsets can be a dicey proposition when it comes to cleaning up our air. They have been compared to the indulgences sold by medieval clerics—by paying some money (which ostensibly will go toward reducing or sequestering emissions somewhere) a polluter is considered to be compensating for its discharges into our atmosphere.

Minimally, offsets need strong safeguards to ensure that the promised emission reductions are real, additional, verifiable, permanent, and enforceable. It may be difficult, though, to oversee offsets, especially in distant places, to ensure that the benefits are real. And, of course, it would be far better to reduce both the carbon discharges in Los Angeles and the CFCs in China, and to save the rainforests, rather than create offsets that allow businesses to choose one or the other.

Further, offsets may interfere with reductions in other forms of pollution. When a facility is modified to lower carbon emissions, typically other pollution is reduced in the process. It may not matter where in the world carbon reductions happen, but to the neighbors of a polluting facility, the location of other kinds of pollution matters greatly. Since unhealthy air

is concentrated in some of California’s most impoverished communities, some offsets could harm the cause of environmental justice.

Excessive reliance on offsets could open up huge loopholes that undermine the very purposes of a law like California’s AB 32 cap on emissions. The Air Resources Board’s AB 32 Scoping Plan would allow up to 49% of emission reductions to come from offsets anywhere in the world. Sierra Club California believes that offsets should be much more strictly limited.

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Curbing global warming will require a fundamental transformation of our energy economy, a task that cannot be outsourced to other countries. Requiring California’s largest polluters to reduce their own emissions will spur technological advances that can be exported to the rest of the world, bringing green jobs to the Golden State. If polluters are allowed to outsource their emission reductions to other sectors and jurisdictions, the clean-

energy revolution will be delayed. If big oil and utilities can comply with the law by paying for tree planting in Canada, then they will not have to develop clean technologies to green their own operations and products.

In addition, according to a new study from UC Berkeley, allowing out-of-state offsets would increase emissions of harmful smog-forming and toxic pollutants here in California. AB 32 requires the ARB to ensure that its implementation rules “complement, and do not interfere with, efforts to achieve and maintain federal and state ambient air quality standards and to reduce toxic air contaminant emissions.” The study found that by limiting offsets to in-state emission-reduction projects, we could slash emissions of six out of eight air pollutants.

A new bill, AB 1404 authored by Assemblymembers Kevin de León and Manuel Perez, would improve environmental justice and air quality in California communities by setting some sensible limits on offsets. The bill would limit the use of compliance offsets to no more than 10% of the emission reductions needed, establish requirements for verifying and tracking compliance offsets to ensure that they are real and do not cause harm to the environment or public health, and require the ARB to prioritize offsets that provide air-quality benefits to communities already suffering from disproportionate air pollution—particularly in the same air basin as the offset purchaser, and that provide environmental and public-health benefits to California. Sierra Club California supports AB 1404 as a balanced approach to compliance offsets.